

BEFORE THE

Federal Communications Commission

WASHINGTON, D.C. 20554

RECEIVED

JUN 17 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RECEIVED

JUN 17 1993

CC Docket No. 92-116
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

AMENDMENT OF PART 22 OF THE
COMMISSION'S RULES PERTAINING
TO POWER LIMITS FOR PAGING
STATIONS OPERATING IN THE 931
MHZ BAND IN THE PUBLIC LAND
MOBILE SERVICE

To: The Commission

COMMENTS OF PACTEL PAGING

PacTel Paging ("PacTel"), by its attorneys, hereby submits its comments in support of the Notice of Proposed Rule Making (the "Notice")^{1/} which proposes increasing the maximum effective radiated power permitted for paging stations operating in the 931 MHz public land mobile service. The following is respectfully shown:

1. PacTel is one of the leading providers of paging service in the United States. PacTel operates extensive common and private carrier paging systems serving over 900,000 units in 98 MSAs located in 14 states. PacTel provides a broad array of

^{1/} 8 FCC Rcd 2796 (1993).

No. of Copies rec'd
List A B C D E

044

messaging services over these facilities, including tone, tone and voice, digital display, and alphanumeric services. PacTel is, therefore, well qualified to comment in this proceeding.

2. PacTel enthusiastically supports the Commission's proposal to increase the maximum effective radiated power at perimeter paging base stations in the 931 MHz band to 3500 watts. PacTel concurs with the Commission that increased power will serve the public interest by allowing increased flexibility in system design and lower system infrastructure costs.^{2/} The proposed rules will permit PacTel to serve greater geographic areas with fewer transmitters, thus decreasing both the system equipment costs and associated recurring costs such as site rent and equipment maintenance.^{3/} The paging industry has been marked by increased competition and decreasing average revenue per unit; thus, any rule changes that will permit the licensee to more

^{2/} Notice at ¶6.

^{3/} See id. Capital infrastructure equipment and recurring charges, such as site rent and equipment maintenance, are a significant cost component in providing paging service. Increasing the power to 3500 watts will substantially reduce these costs. For instance, average depreciation of system equipment, based on a 60-month schedule, is approximately \$500 per month. Monthly site rent can average at least another \$400 per month, with maintenance averaging another \$100-\$200 per month. Under the proposed new rules, if the transmitter is located at least 582 feet above ground level, it will increase the geographic area covered by that transmitter by nearly 70%. Thus, an operator with a seven-transmitter system today could reduce the number of transmitters to at least one-half and save approximately \$4,000 per month. This amount constitutes a substantial cost savings.

fully compete with the lowest possible costs will serve the public interest.

3. In addition, allowing increased power could permit new services to be provided which might otherwise not be offered, such as improved alphanumeric messaging and information services. For instance, Telocator has proposed a high speed data protocol that would permit large DOS data files to be transmitted over existing one-way messaging channels. This new protocol, however, might not be offered without the increase in power because of the number of transmitters required to cover the market area.^{4/} With the increase in power, fewer transmitters will be required, thus these services could be profitably offered.^{5/}

4. The proposed power increase also is justified as a matter of competitive parity. The same order proposing the rule change also granted a waiver to Skytel Corporation permitting it to utilize increased power in connection with Skytel's regional

^{4/} For example, systems with 10 transmitters require significantly more units in service to be profitable than a system with only 2 transmitters because of the increased capital and recurring costs. By increasing the area covered by each transmitter by 70%, the number of transmitters required to provide service would be diminished and with it the capital and recurring costs; thus, fewer subscribers are needed to make the system profitable and services that inherently permit fewer subscribers per channel can be offered.

^{5/} Of course, this is not to say that these services will not be offered otherwise. Motorola currently offers a similar service on its nationwide channel. PacTel believes, however, that with the increase in power more providers will be able to offer the service than would otherwise be possible.

paging operation. PacTel, and others, compete with Skytel for customers who require paging services in large geographic regions. In order for this competition to take place on a level playing field, the Commission should allow others to take advantage of the economies associated with higher transmitting powers in circumstances where interference will not occur.

5. In adopting the new rule, the Commission should make clear that any increase in power will be treated as an expansion of existing territory subject to existing Commission filings requirements.^{6/} If two licensees are expanding on a common frequency into the same territory, the rules regarding mutually exclusive applications would apply.^{7/} All applications for increased power should, of course, be placed on public notice, as is the current practice.^{8/}

^{6/} See generally Section 22.13 et seq.

^{7/} See Sections 22.32 & 22.33 of the Commission's rules. Of course, the Commission should encourage the applicants to engage in settlement discussions to avoid a lottery for the increased power. As PacTel stated in its Comments in CC Docket No. 92-115, Revision of Part 22 of the Commission's Rules Governing the Public Mobile Services, PacTel -- and most of the paging industry -- opposes replacing the current mutual exclusivity rules with first-come, first-served application processing rules. Because expanding the service and interference contours are similar to new applications, the same public interest problems associated with switching to first-come, first-served rules for new applications would apply to such a rule adoption here.

^{8/} See Section 22.27 of the Commission's rules.

6. The foregoing premises having been duly considered, PacTel respectfully requests that the Commission expeditiously adopt final rules reflecting PacTel's comments.

Respectfully submitted,

PACTEL PAGING

By: Carl W. Northrop / EAO

Mark A. Stachiw
Carl W. Northrop
Its Attorneys

Mark A. Stachiw
PACTEL PAGING
Suite 800
12221 Merit Drive
Dallas, Texas 75251
(214) 458-5200

Carl W. Northrop
BRYAN CAVE
Suite 700
700 13th St., N.W.
Washington, D.C. 20005
(202) 508-6000

June 17, 1993